

**GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA**

UNSTARRED QUESTION NO:1181
ANSWERED ON:13.07.2009
FTA WITH BIMSTEC COUNTRIES
Owaisi Shri Asaduddin

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether the officials of BIMSTEC countries i.e. Thailand, Myanmar, Bangladesh, Sri Lanka, Bhutan and Nepal met recently in Phuket to conclude negotiations for Free Trade agreement (FTA) after 18 rounds of talks since 2004;
- (b) if so, the details thereof alongwith the time by which the proposed deal is likely to be concluded; and
- (c) the extent to which the proposed deal is likely to increase multilateral trade to tackle recession in the global market?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JYOTIRADITYA M. SCINDIA)

(a) and (b) Officials of the BIMSTEC countries i.e. Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand met in Phuket from 2 – 4 June 2009 for the 18th meeting of the BIMSTEC Trade Negotiating Committee (TNC). A major achievement of this TNC meeting was the finalization of the texts of the

(i) Agreement on Trade in Goods,

(ii) Rules of Origin and

(iii) Operational Certification Procedures. Agreement on the three texts paves the way for future implementation of the BIMSTEC Free Trade Area (FTA). The BIMSTEC FTA will become operational once each BIMSTEC member country works out its schedule of tariff concessions, seeks necessary approvals and then circulates it among the other members.

(c) The BIMSTEC FTA is expected to substantially increase India's trade with Thailand and Myanmar with which India presently does not have any preferential trading arrangement.